



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/667,894	09/22/2000	Larry Scheinberg	11847-002001	1229
26161	7590	06/25/2004	EXAMINER WASYLCHAK, STEVEN R	
FISH & RICHARDSON PC 225 FRANKLIN ST BOSTON, MA 02110			ART UNIT	PAPER NUMBER

3624

DATE MAILED: 06/25/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/667,894

Applicant(s)

SCHEINBERG ET AL.

Examiner

Steven R. Wasylchak

Art Unit

3624

MLW

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 September 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 5.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless —(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 1-20 rejected under 35 U.S.C. 102(b) as being unpatentable over Mosler et al (US 6,304,858). *

CLAIMS:

1. A method of clearing transactions on an electronic exchange comprises:
- performing a full settlement run after cessation of trading;/ fig 5A(S54, S56)automatically marking-to-market all open positions;/col 9,L 35-38, col 12, L 19-38
- and determining margin requirements./ col 12, L 1-19; col 30,L 43-52;
- col 21, L 55-60
2. The method of claim 1 wherein determining margin requirements determines that a position calls for a cash margin

protocol, the method further comprising:

sending to subscribers or subscriber depository or guaranteeing
banks debits and/or credits; and/ fig 5A ; col 4, L 46-61
updating the resulting balances in, each subscriber's account./ fig
5A(settle)

3. The method of claim 1 wherein determining margin requirements determines
that a position calls for an asset based margin protocol, the method further comprising:

disseminating position information but no daily pays or collects will take
place so long as sufficient assets are already identified./ col 12, L 1-19;

col 30,L 43-52; col 21, L 55-60

4. The method of claim 1 wherein marking to market further comprises:

posting a position for a subscriber to a subscriber trading account as soon as any
portion of an order is filled./col 9,L 59 to col 10, L 18

5. The method of claim 1 wherein marking to market further comprises:

determining whether the subscriber has a position at the other side of the market
that can result in an offset of the position and the position at the other side of the
market./ abstract; col 1, L 37-49

6. The method of claim 5 wherein marking to market further comprises:
liquidating the trade with any resulting credit or debit identified as a
realized gain or loss in the subscriber's trading account./fig 5A
7. The method of claim 1 wherein determining margin requirements further
comprises:
recording assets that are delivered to the exchange for satisfying margin./ col 12, L 1-
19; col 30,L 43-52; col 21, L 55-60
8. The method of claim 1 wherein recording assets further comprises:
determining an equivalent asset value to reflect a
capital charge applied to special classes of assets./ abstract
9. The method of claim 1 wherein recording assets further
comprises:
maintaining an asset inventory for each trading
account, and/ col 4, L 25-30
indicating whether assets in the trading account are limited to
covering a single contract genus or a specific delivery
commitment, or can be applied to multiple products./ col 4, L 25-38
10. The method of claim 1 further comprising:
determining an initial margin for each contract species held

in a subscriber's trading account./ col 12, L 1-19; col 30,L 43-52;

col 21, L 55-60

11. The method of claim 1 further comprising:

determining a variation margin and applying the variation margin to the subscriber's
trading account./ col 12, L 1-19; col 30,L 43-52; col 21, L 55-60

12. A computer program product residing on a computer readable medium for
clearing transactions on an electronic exchange comprises instructions for causing a
computer to;

perform a full settlement run after cessation of trading; automatically mark-to-market all
open

positions; and

determine margin requirements for market participants./ refer to claim 1

13. The computer program product of claim 12 wherein instructions to
determine margin requirements comprise instructions to causes a
computer to

determine that a position calls for a cash margin protocol./ refer to claim 2

14. The computer program product of claim 12 wherein instructions to determine
margin requirement further comprise instructions to:

send messages that are debits and/or credits to subscribers or subscriber depository
or guaranteeing banks; and

update a resulting balances in each subscriber's account./ refer to claim 2

15. The computer program product of claim 12 wherein
instructions to determine margin requirements further comprise
instructions to:

determines that a position calls for an asset based margin protocol./ refer to claim 3

16. The computer program product of claim 12 wherein
instructions to determine margin requirements further comprise instructions
to:

disseminating position information but no daily pays or collects will take place so long as
sufficient assets are already identified./ refer to claim 3

17. The computer program product of claim 12 wherein instructions to mark to
market further comprise instructions to: post a position for a subscriber to a subscriber
trading account as soon as any portion of an order is filled./ refer to claim 4

18. The computer program product of claim 12 wherein instructions to mark to market
further comprise instructions to: determine whether the subscriber has a position at
the other side of the market that can result in an offset of the position and the position at
the other side of the market./

Art Unit: 3624

refer to claim 5

19. The computer program product of claim 12 wherein instructions to mark to market further comprise instructions to:

liquidate the trade with any resulting credit or debit identified as a realized gain or loss in the subscriber's trading account./ refer to claim 6

20. A system for clearing transactions on an electronic exchange, comprises:

a computer system that is fed information regarding trades for traders on behalf of subscribers, current prices for products traded on the exchange, information regarding margin available in a trading account and margin requirements for a contract genus; /

a process that executes on the compute system, comprising:

a computer program product residing on a computer readable medium for clearing transactions on the electronic exchange comprising instructions for causing the computer to:

perform a full settlement run after cessation of trading; /

automatically mark-to-market all open positions; and determine margin requirements for market participants./refer all the above to claim 1

Application/Control Number: 09/667,894

Art Unit: 3624

This action is **NON-FINAL**. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Steven R.

Wasylichak whose telephone number is (703) 308-2848. The examiner can normally be reached on Monday-Thursday from 7:00 a.m. to 6:00 p.m. EST.

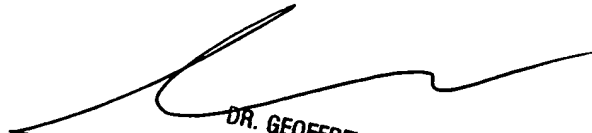
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1065. The fax number for Art Unit 3624 is (703) 305-7687.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Steven Wasylichak



3/19/04



DR. GEOFFREY R. AKERS, P.E.
PRIMARY EXAMINER